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Substantively Consolidated SIPA Liquidation of  
Bernard L. Madoff Investment Securities LLC  
and for the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION  
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT  
SECURITIES LLC,

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Substantively  
Consolidated SIPA Liquidation of Bernard L. Madoff  
Investment Securities LLC and Bernard L. Madoff,

Plaintiff,

v.

STANLEY GORDON BENNETT III 1988 TRUST,  
and STANLEY GORDON BENNETT III individually  
and in his capacity as settlor and trustee of the Stanley  
Gordon Bennett III 1988 Trust,

Defendants.

No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

Adv. Pro. No. 10-05021 (SMB)

**STIPULATION AND ORDER FOR VOLUNTARY  
DISMISSAL OF ADVERSARY PROCEEDING WITHOUT PREJUDICE**

Irving H. Picard (the “Trustee”), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.*, and the substantively consolidated estate of Bernard L. Madoff individually, by and through his counsel, Baker & Hostetler LLP, and Defendants Stanley Gordon Bennett III 1988 Trust and Stanley Gordon Bennett III, individually and in his capacity as settlor and trustee of the Stanley Gordon Bennett III 1988 Trust (“Defendants,” and together with the Trustee, the “Parties”), through their counsel, Lax & Neville, hereby stipulate and agree to the following:

1. On December 2, 2010, the Trustee filed and served the Complaint against Defendants.
2. On December 16, 2015, Defendants served an answer on the Trustee.
3. Defendants submitted to the Trustee a hardship application (the “Hardship Application”) requesting that the Trustee agree to dismiss the Adversary Proceeding. In support of the Hardship Application, Defendants submitted evidence of financial hardship.
4. In reliance on the representations made by Defendants in the Hardship Application and other representations and/or materials submitted by Defendants in support of the Hardship Application, the Trustee in the exercise of his due and deliberate discretion has determined to dismiss Defendants from the Adversary Proceeding.
5. Defendants hereby affirm that (i) all representations made and all materials provided are accurate and (ii) the Trustee has relied upon these materials in exercising his discretion to dismiss the Adversary Proceeding.
6. Defendants hereby agree that to the extent it is subsequently determined that they deliberately or intentionally submitted materially false and/or misleading representations, statements and/or materials in connection with the Hardship Application, (i) the Trustee shall

have the right to reinstitute the Adversary Proceeding against them and/or pursue other remedies available to him and (ii) this Stipulation and Order shall act to toll any applicable statutes of limitation with respect to the Trustee's commencement of any such claims. Notwithstanding section 546(a) of the Bankruptcy Code, Defendants hereby agree to waive any statute of limitations defense in any such actions or claims commenced by Trustee.

7. Pursuant to Fed. R. Civ. P. 41(a)(1)(A)(ii) and Fed. R. Bankr. P. 7041, the Trustee and Defendants hereby agree that upon approval of this Stipulation and Order by the Bankruptcy Court, the Trustee's claims against Defendants and the Adversary Proceeding are dismissed without prejudice.

8. The provisions of this Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties of interest.

9. This Stipulation and Order is subject to the approval of the Bankruptcy Court, failing which the provisions of the Stipulation and Order shall be void and of no effect.

New York, New York  
June 6, 2017

By: /s/ Brian J. Neville  
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*Attorneys for Irving H. Picard, Trustee for the  
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LLC and the Estate of Bernard L. Madoff*

SO ORDERED

Dated: June 6<sup>th</sup>, 2017  
New York, New York

/s/ STUART M. BERNSTEIN  
HON. STUART M. BERNSTEIN  
UNITED STATES BANKRUPTCY JUDGE